

B. Each application for renewal by a franchiser shall be submitted on or before January 15 of each year and shall reflect the information required by the Commission for the preceding year.

C. Any application for renewal by the franchiser shall also include the name and address of any licensed Louisiana broker that is operating under a franchise agreement with the franchiser.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1465.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:482 (December 1978).

§5513. Penalty

A. Any person, partnership, or corporation which operates in Louisiana as a franchiser of real estate brokerage firms, without the specific authority to do so as granted by the Louisiana Real Estate Commission, shall be subject to a penalty of the refusal by the Commission to allow said person, partnership, or corporation to operate or do business in Louisiana for a period of at least one year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1465.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:481 (December 1978).

§5515. Failure to Renew

A. Any person, partnership or corporation which operates or does business in Louisiana as a franchiser of real estate brokerage firms, who fails to make application for renewal to the Louisiana Real Estate Commission on or before January 15 of each year shall be subject to revocation and/or suspension of registration.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1465.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:481 (December 1978).

§5517. Violations of Law

A. The Commission shall have the power to withdraw any registration and/or issue a cease and desist order, after a hearing, to any franchiser that is subject to these rules and regulations, upon determination that any federal or state law or Commission regulation has been or will be violated.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435 and R.S. 37:1465.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:481 (December 1978).

Chapter 59. Waiver of Renewal Requirements

§5901. Veteran Waiver

A. Licensees who are inducted into military service or those licensees in the military who are transferred out of state shall, upon furnishing appropriate evidence of their honorable

discharge, be entitled to renewal of their licenses, without penalty, provided application is filed within six months following discharge. The provisions of this Section shall extend to spouses of persons described hereinabove who were licensed at the time of such induction or transfer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:401 (October 1977), amended LR 4:482 (December 1978), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

Chapter 61. Reciprocity

§6101. Licensing

A. The Commission may enter into a reciprocal agreement with the appropriate authority of any other state to permit any resident of that other state who is licensed there as a real estate broker or salesman to obtain an equivalent Louisiana nonresident license and engage in the real estate business in Louisiana if that other state agrees to similarly grant a nonresident license to any Louisiana resident broker or salesman and permit him to engage in the real estate business in that other state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:482 (December 1978), amended LR 5:23 (February 1979), LR 9:319 (May 1983).

§6103. Requirements for License

A. Any person residing in and licensed as a real estate broker or salesman in a state whose appropriate authority has entered into a reciprocal agreement with the Commission shall be granted an equivalent nonresident license by the Commission upon applying and complying with the following requirements:

1. providing the Commission with sufficient proof of his licensing by his resident state;
2. paying all fees prescribed for an equivalent Louisiana resident license;
3. filing an irrevocable power of attorney with the Louisiana secretary of state and providing the Commission with a copy;
4. if a corporation, procuring a certificate of authority to do business in Louisiana from the Louisiana secretary of state and providing the Commission with a copy; and
5. if a partnership, procuring a certificate of registry as a foreign partnership from the Louisiana secretary of state and providing the Commission with a copy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:482 (December 1978),

amended LR 9:319 (May 1983).

§6105. Nonresident Licensee

A. The nonresident licensee is bound, in all respects, by the provisions of the Louisiana Real Estate Licensing Law (R.S. 37:1431, et seq.) and these regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:402 (October 1977), amended LR 4:482 (December 1978), LR 9:319 (May 1983).

Chapter 63. Out-of-State Broker Cooperation

§6301. Broker Cooperation

A. A Louisiana broker may cooperate with a licensed broker of another state in the sale, lease, management or auction of real property located in Louisiana within the limits provided in the Louisiana real estate license law and rules under the following conditions.

1. The sale, lease, management or auction shall be handled under the direct supervision and control of the Louisiana broker who shall take full responsibility for all actions of the nonresident broker. All advertising of any kind must contain the names of both the Louisiana licensed broker and the cooperating broker. The cooperating broker may place a sign on real property located in Louisiana with the written consent of the Louisiana licensed broker.

2. Any monies collected on behalf of others shall be maintained in the Louisiana broker's sales escrow, rental trust or security deposit trust account unless all parties having an interest in the funds to be deposited therein have agreed otherwise in writing.

3. In each instance herein where a Louisiana broker enters into a cooperating agreement with an out-of-state broker for the sale, lease, management or auction of Louisiana real property, the Louisiana broker must file one copy of a cooperating agreement with the Louisiana Real Estate Commission prior to the property being advertised, shown, or any contract taken. A written cooperating agreement describing the property involved must be filed for each separate transaction. This agreement must contain verbiage wherein both the Louisiana broker and the out-of-state broker agree to sign all written reports and contracts and comply with the Louisiana Real Estate Commission license law and rules in all respects.

4. Any fee or commission received as a result of a cooperative transaction shall be paid to the Louisiana broker who will, in turn, compensate the out-of-state broker. The percentage of fees or commission to be received by the Louisiana broker and the out-of-state broker shall be negotiable between the two parties and shall be agreed upon, in writing, by the parties in their cooperative agreement.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 19:736 (June 1993).

§6303. Referral Fees

A. A licensed broker in this jurisdiction may divide or share a real estate commission with a licensed broker in another jurisdiction whenever the licensed broker in the other jurisdiction acts only as a referral agent who is not involved in the actual negotiations, execution of documents, collections of rent, management of property, or other real estate brokerage activity in a real estate transaction which involves more than the mere referral of a client or customer to the licensed broker of this jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 19:737 (June 1993).

§6305. Jurisdiction Over Out-of-State Activities

A. The agency shall have the power to impose any sanction permitted by this law on any licensee of this jurisdiction who performs or attempts to perform any of the acts of a licensee on property located in another jurisdiction without first having been properly licensed in that jurisdiction or otherwise having fully complied with that jurisdiction's laws regarding real estate brokerage.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 19:737 (June 1993).

Chapter 65. Real Estate Schools

§6501. Approval of Schools

A. The following regulations apply to real estate schools seeking approval to conduct a course of education in real estate subjects for prelicensing requirements as prescribed under R.S. 37:1460.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 2:279 (September 1976), amended LR 2:455 (December 1976), LR 3:402 (October 1977), LR 4:482 (December 1978), LR 9:319 (May 1983).

§6503. Course Curriculum

A. The Commission shall require certified real estate schools to follow model curriculum guidelines established by the Commission in courses offered for salesperson and broker prelicensing credits.

B. Courses of instruction offered by certified real estate schools shall be designated as follows:

1. Real Estate 101—90 hour course in real estate principles/practices for salesperson applicants.

2. Real Estate 201—90 hour basic fundamentals review for broker applicants.

3. Real Estate 202—30 hour Louisiana License Law—civil code course for broker applicants and licensing applicants with out-of-state schooling.

4. Real Estate 203—30 hour mandatory broker responsibilities course for broker applicants.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:402 (October 1977), amended LR 4:482 (December 1978), LR 9:319 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6505. Education Division

A. The Louisiana Real Estate Commission does hereby create the Education Division which shall be responsible for real estate school and continuing education vendor certification. The Education Division shall administer on behalf of the Commission all regulations, laws and other matters pertaining to real estate education programs under the jurisdiction of the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:483 (December 1978), amended LR 9:319 (May 1983), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6507. Certificate of Authority

A. No person shall operate a real estate school from which the Commission will accept a certificate of completion in satisfaction of pre-licensing requirements unless they comply with the requirements of the Commission and hold a certificate of authority in good standing issued by the Commission.

B. No certificate of authority shall be issued to any broker applicant whose courses are designed and primarily intended for instruction of that same broker applicant's future salesmen or broker affiliates.

C. Each application for a certificate of authority to operate a real estate school must be fully completed, notarized and be accompanied by the following items:

1. a financial statement of the person, partnership, corporation, or legal entity which is seeking the certificate of authority or the renewal of same;

2. letters of reference from responsible persons with information relating to such person's integrity, character, and responsibility, including at least two letters from licensed Louisiana brokers;

3. a proposed student contract to be used by the school;

4. a surety bond as issued by an insurance company authorized to do business in this state, conditioned for the protection of the contractual rights of those real estate students attending such school and in the amount of \$10,000;

5. a certified copy of certificate of incorporation if the school is to be conducted in the name of a corporation, or a true copy of the certificate of trade name or articles of limited partnership as filed in the office of the parish clerk if the school is to be conducted under a trade name, whether a sole proprietorship, firm, partnership or limited partnership; and

6. an annual real estate school certificate fee of \$500.

D. Certificates of authority issued or renewed under this Section shall be valid for a maximum of one year and shall expire on December 31 of each year.

E. Applications for issuance or renewal of certificates of authority shall be submitted not later than October 30 of each year.

F. Failure to submit a timely application for renewal of a certificate of authority shall result in automatic expiration of the certificate of authority on December 31.

G. Any application for a certificate of authority which is received by the Commission subsequent to expiration shall be treated as an initial application.

H. Real estate schools shall not schedule courses which will extend beyond December 31 unless renewal of the certificate of authority has been applied for and approved by the Commission prior to the date that such courses are scheduled to begin.

I. The Commission shall issue a certificate of authority to operate a real estate school after a determination has been made by its Education Division that the applicant has met all requirements of certification.

1. Anyone desiring to purchase, lease or otherwise obtain a certificate of authority issued by the Louisiana Real Estate Commission, must obtain the prior approval of the Commission, and further must comply with all the regulations herein as an original applicant before the Commission can consider or approve the transfer.

J. All Louisiana state and private colleges and universities where a real estate course is given in a regular curriculum are exempt from filing and obtaining a certificate of authority. The Commission reserves the right to require compliance with all requirements of this section, except for the charging of fees, from those offered through Continuing Education Divisions in colleges and universities.

K. State vocational-technical schools or parish school boards which conduct courses in real estate for pre-licensing credit shall meet all requirements imposed on privately owned real estate schools except for fee requirements.

L. A school shall not apply to itself, either as part of its name or in any manner, the designation of "college" or "university" unless it in fact meets the standard and qualifications and is approved by the state agency having jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:402 (October 1977), amended LR 4:483 (December 1978), LR 9:319 (May 1983), LR 10:874 (November 1984), LR 11:7 (January 1985), LR 14:9 (January 1988), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6508. School Director

A. Each approved school shall designate an individual as director of the school who shall be in responsible charge of all its operations and the specific courses of education to be conducted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37, 1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 14:9 (January 1988).

§6509. Instructor Qualifications

A. No person shall act as an instructor at a real estate school and no real estate school shall hire or permit any person to act as an instructor in a real estate school unless that person has obtained an instructor's certificate from the Commission. The provisions of this subsection do not extend to guest lecturers.

B. An applicant for an instructor's certificate to teach in certified Louisiana real estate schools shall file an application with the Commission in such form as the Commission may prescribe.

C. All initial applicants for certification shall attach to their application the results of an instructor's assessment examination specified by the Commission and have met or exceeded the minimum score required thereon. The applicant must also possess at least one of the following qualifications:

1. a bachelor's degree with a major in real estate from an accredited college or university;
2. a bachelor's degree from an accredited college or university and at least two years experience in real estate brokerage;
3. a Louisiana real estate broker's license and a minimum of five years experience in the area of proposed study;
4. a juris doctorate degree or the equivalent from an accredited law school and a minimum of three years experience in the area of the proposed study;
5. two years experience as a qualified instructor or professor in the business, finance or economics department of

an accredited college or university; or

6. any other special qualifications which in the opinion of the Commission constitutes the equivalent of one or any combination of the above.

D. The Commission shall approve issuance of an instructor's certificate to an applicant after a determination has been made by its Education Division that the applicant meets the minimum requirements of certification.

E. Instructor certificates issued under this section shall be valid for a maximum of one year and shall expire on December 31 of each year.

F. Every application for renewal of an instructor's certificate must be submitted not later than October 30 of the year prior to which renewal is required.

G. The certificate of a real estate instructor will not be renewed unless the instructor shall furnish proof of completion of eight hours per year of continuing education in coursework approved by the Commission. The Commission will not accept, for instructor continuing education credit, actual teaching hours or courses taken from the individual instructor's school.

H. Any application for renewal of an instructor's certificate which is received by the Commission after December 31 shall be treated as an initial application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:402 (October 1977), amended LR 4:484 (December 1978), LR 9:319 (May 1983), LR 10:874 (November 1984), LR 10:875 (November 1984), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6511. School Facilities

A. Every school shall utilize facilities meeting the following standards.

1. The premises, equipment and facilities of the school shall comply with all local, city, parish and state regulations, such as fire codes, buildings and sanitation codes.
2. There shall be adequate space, seating, equipment, and instructional material to accommodate the number of students in attendance.

B. Facilities are subject to inspection by representatives of the Commission prior to approval or subsequent thereto during regular school hours.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:484 (December 1978), amended LR 9:320 (May 1983).

§6513. School Records

A. Real estate schools shall maintain accurate records on

enrolled students for 12 years and make those records available upon request of the Commission or its representatives.

B. Those records shall include but not be limited to the following:

1. total classroom hours undertaken by each student;
2. titles of courses taken by each student;
3. dates of attendance at those courses by each student; and
4. test scores received in those courses by each student.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:485 (December 1978), amended LR 9:320 (May 1983).

§6515. Tuition and Fees

A. Each real estate school shall enter into a written contract with each of its students.

B. The tuition and fees at any real estate school shall be specifically set forth in each student's contract. The contract at any real estate school shall expressly state the school's policy regarding the return of unearned tuition when a student is dismissed or withdraws voluntarily or through hardship.

C. The total amount of tuition to be charged by a school shall be specified separately in each student's contract. If additional fees are to be charged for supplies, materials or books needed in a course of work, they shall be itemized by the school and such supplies, materials or books shall become the property of the student upon payment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:402 (October 1977), amended LR 4:484 (December 1978), LR 9:320 (May 1983).

§6517. Course Reporting

A. Real estate schools shall be required to submit in a timely manner any information which may be requested by the Education Division of the Commission. Such information shall include, but not necessarily be limited to course schedules, locations and information on students completing courses of study.

B. Failure to comply with the requirements of this Section may be grounds for immediate loss of school certification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:402 (October 1977), amended LR 4:223 (June 1978), LR 4:484 (December 1978), LR 9:320 (May 1983).

§6519. Certificates of Completion

A. Each real estate school shall provide an individual

certificate of completion to each student upon successful completion of a course of study. The certificate shall include the number of hours completed, date of completion and shall be signed by the director of each real estate school.

B. Each classroom hour for which credit is sought toward a certificate of completion shall consist of no less than 50 minutes of instruction.

C. No certificate of completion shall be accepted from any real estate school that is not in good standing with the Commission on the date of issuance.

D. Individuals who have completed courses for university or college credit which courses have been approved by the Commission as being related to real estate and who desire to apply for a real estate license shall obtain a clear copy of their transcript from their university or college registrar indicating the title and number of the courses, date of completion and final grade and submit same to the Commission in lieu of the required certificate of completion.

E. Colleges and universities who do not enter on transcripts courses completed under their Continuing Education Divisions shall provide students with certificates of completion upon successful completion of a course of study.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:403 (October 1977), amended LR 4:485 (December 1978), LR 9:320 (May 1983).

§6521. Prohibition Against Recruiting

A. No person shall use, at any time, the premises of a real estate school to discuss sponsorship of potential licensees for any brokerage firm.

1. Certified real estate schools shall post the following statement in a clearly visible area of each classroom where an approved precursing course is being taught and require the instructor to read the statement to students at the beginning of class:

"No recruiting for agents for any real estate brokerage firm is allowed in this class or on the school premises. Any effort to recruit by anyone should be promptly reported to (name of school director) at (phone number and/or office location) and to the Louisiana Real Estate Commission at 504/925-4788."

2. Instructors and school directors shall promptly report any efforts to recruit students to the Commission.

B. Any brokerage firm that knowingly allows any of its employees or representatives to utilize a real estate school premises to discuss salesmen or broker sponsorship with the student shall be subject to the revocation or suspension of its license.

C. Unless an exemption has been applied for and granted by the Commission as specified in this section, an applicant for a real estate license cannot, for a period of one year after successful completion of real estate precursing education, be licensed with the sponsoring broker of an owner, instructor, guest lecturer or member of the administrative staff of the real

estate prelicensing school attended by said applicant.

1. Exemption. Applicants for licensing may request a waiver of §6521.C provided the following conditions are met.

a. Application for exemption must be submitted on an affidavit form provided by the Commission and contain a notarized statement from applicant and sponsor attesting to the fact that their decision to affiliate was in no way influenced by said broker's affiliation with a state certified real estate school.

b. Request must be received and acted upon by the Commission's Education Division at least ten days prior to enrollment in a scheduled prelicensing course of study. There is no waiver of the 10-day requirement.

D. No brokerage firm may operate a real estate school under the same legal entity as the brokerage firm.

E. No real estate school shall be operated in a facility that is also utilized for the operation of the brokerage firm. Operation in this rule by a real estate school shall mean the conducting or doing business in any manner including, but not limited to the holding of classes, the instruction of students, the utilization of telephone lines, the occupying of office space, and the enlistment, solicitation and/or recruitment of potential students or licensees.

F. No real estate school may provide any name or list of names of any potential licensee(s) or student(s) whether potential or enrolled in any real estate school to anyone other than the Louisiana Real Estate Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1455, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:485 (December 1978), amended LR 9:320 (May 1983), LR 12:509 (August 1986), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6523. Change of Address

A. Any change of address of a school or its director must be reported to the Education Division within 10 days of the date of such change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:485 (December 1978), amended LR 9:320 (May 1983).

§6525. School Advertising

A. Advertising by certified schools shall be clear, concise and accurate.

B. Any advertising with regard to charges shall reflect all charges a student will have to pay for the course of instruction.

C. All advertising shall state the name of the real estate school as certified and the name of the director.

D. The Louisiana Real Estate Commission may require that a school furnish proof of any of its advertising claims.

Retractions of unfounded advertising claims may be ordered by the Commission. Such retractions shall be published in the same manner as the original claim and be paid for by the offending school. The failure to publish such a retraction when ordered by the Commission shall be grounds for revocation of or refusal to renew the school's certificate of authority by the Commission.

E. All advertisement by certified real estate schools shall contain in the following language: "Certified by the Louisiana Real Estate Commission."

F. Real estate school advertising shall not be combined with any advertisement of a real estate brokerage business or vice versa.

G. All advertisements, pamphlets, circulars or other advertising materials shall be free of statements, illustrations or implications which do not enhance the dignity and integrity of the real estate profession.

H. No advertisement, pamphlet, circular, or other advertising materials by certified real estate schools shall offer any guarantee to pass the real estate license examination.

I. All advertisement shall specifically include what items are included in the tuition charged. Any optional (non-required) items for which a fee is to be charged or potential cost incurred by the students such as textbooks, workbooks or review sessions must be clearly and separately listed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435, R.S. 37:1459 and R.S. 37:1460.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 3:403 (October 1977), amended LR 4:484 (December 1978), LR 9:320 (May 1983), LR 12:509 (August 1986).

§6527. School Investigations and Hearings

A. The Commission shall have the authority, on its own motion or following a complaint made to it, to investigate any real estate school certified by it to determine whether that school is complying with rules and regulations of the Commission.

B. All private real estate schools shall be subject to periodic visits by an official representative of the Commission who will observe classroom activities, evaluate course content and instructor proficiency to insure that courses are being taught in accordance with the provisions set forth in R.S. 37:1459 and R.S. 37:1460.

C. The Commission shall have the authority to suspend or revoke any certificate of authority of any real estate school for violation of these regulations. In determining whether there has been a violation of these regulations, the Commission shall follow the provisions of R.S. 37:1456 and Chapter 13 of Title 49 of the Louisiana Revised Statutes insofar as they are applicable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1456, R.S. 37:1459, R.S. 37:1460 and R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 4:485 (December 1978), amended LR 9:321 (May 1983).

§6529. Causes for Suspension or Revocation of Instructor Certification/School Certificate of Authority

A. The Commission may suspend or revoke an instructor's certificate if in the opinion of the Commission, the instructor is guilty of any of the following acts:

1. failure to notify the Commission's Education Division within 10 days of the effective date of a change of mailing address for the instructor;
2. having been convicted of a felony or entered a plea of guilty or nolo contendere to a felony charge;
3. refusing to appear or testify under oath at any hearing held by the Commission;
4. falsely certifying hours of attendance of any student;
5. having his/her salesperson's, broker's or timeshare salesperson's license suspended or revoked by the Commission;
6. recruiting students or knowingly allowing others to use school classroom facilities to discuss sponsorship of potential licensees for any real brokerage firm;
7. violating any rule or regulation promulgated by the Commission in the interest of the public and consistent with the provisions of this Chapter.
8. obtaining or attempting to obtain, by deceptive or fraudulent means, copyrighted test questions and/or confidential test material belonging to any national testing service under current and/or past contract with the Commission for administration of its licensing and certification examinations.

B. In determining whether there has been a violation of these regulations, the Commission shall follow the provisions of R.S. 37:1456 and Chapter 13 of Title 13 of Title 49 of the Louisiana Revised Statutes insofar as they are applicable.

C. In addition to causes for suspension or revocation outlined in this Chapter, the Commission may suspend or revoke a school's Certificate of Authority if, in the opinion of the Commission, the school, through its owner(s), director(s) or instructor(s) is performing or attempting to perform or has performed or has attempted to perform any of the following acts:

1. falsely certifying hours of attendance for any student;
2. recruiting students for any brokerage firm or knowingly allowing others to use school classroom facilities to discuss sponsorship of potential licensees for any brokerage firm;
3. failure to inform instructors on License Law changes or rule and policy changes of the Commission;

4. refusal of the school owner(s) or director(s) to appear or testify under oath when subpoenaed to do so at any hearing held by the Commission;

5. any school owner having been convicted of a felony or entered a plea of guilty or nolo contendere to a felony charge;

6. failure to enter into a written contract with any of its students.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 12:828 (December 1986), amended LR 14:227 (April 1988), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

Chapter 66. Real Estate Continuing Education Vendors

§6601. Approval of Continuing Education Vendors

A. The following regulations apply to entities seeking approval to conduct educational courses for continuing educational requirements as prescribed under R.S. 37:1437.C.5.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6603. Application

A. Any entity desiring to act as an approved real estate continuing education vendor must file an application with the Commission's Education Division. Each initial application must be fully completed, notarized and accompanied by the following:

1. a financial statement of the person, partnership, corporation or legal entity which is seeking an approved continuing education vendor certificate or renewal of same;
2. letters of reference from responsible persons with information relating to applicant's integrity, character, responsibility and/or qualifications and experience in real estate education;
3. if applicable, a certified copy of certificate of incorporation or a true copy of the certificate of trade name or articles of limited partnership as filed in the office of the parish clerk, if conducted under a trade name, whether a sole proprietorship, firm, partnership or limited partnership;
4. appropriate fees as required in §1443 of the Louisiana Real Estate License Law;
5. name, address and biographical information on each proposed instructor;
6. complete information on each proposed course offering; and

7. any additional information as requested and deemed appropriate by the Commission or its Education Division.

B. Certificates issued by the Louisiana Real Estate Commission will be issued in the name of the legal entity of the applicant. Certificates issued to any corporation or partnership for any purpose will be issued in the identical name of the corporation or partnership as registered with the Louisiana secretary of state. No certificate will be issued to any corporation or partnership not registered with the Louisiana secretary of state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989), amended LR 17:650 (July 1991).

§6605. Bond Requirement

A. Beginning July 1, 1990 and thereafter, each initial and renewal applicant for an approved continuing education vendor certificate must obtain and file with the Commission proof of coverage of a \$5,000 surety bond as issued by an insurance company authorized to do business in this state. The bond shall be in favor of the state of Louisiana and conditioned for the protection of the contractual rights of those students attending continuing education courses of said vendor. The \$5,000 bond requirement does not apply to state certified real estate schools also holding an approved continuing education vendor certificate since such schools are required to maintain a \$10,000 bond as specified in §6507.C.4.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6607. Application Hearing

A. An initial application which is received by the Education Division and is determined to be in proper form shall be scheduled for consideration by the Commission at its regularly scheduled meeting. Applications must be received and reviewed by the Education Division at least 30 days prior to scheduling for a hearing before the Commission. The applicant will be required to appear before the Commission, as scheduled, to speak on behalf of and to respond to questions pertaining to the application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6609. Application Approval

A. Upon approval of any initial application by the Commission, the Education Division shall assign an approved vendor number to the person, partnership, corporation or legal entity granted approved vendor status. The approved vendor

number must appear on all certificates of completion issued to Louisiana licensees by the approved entity and in any advertisements of approved courses offered by the entity.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6611. Application Denial

A. When an applicant has been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or theft, or has been convicted of a felony or a crime involving moral turpitude in any court of competent jurisdiction, such untrustworthiness of the applicant, and the conviction, may in itself be sufficient grounds for refusal of a certificate.

B. When an applicant has made a false statement of material fact on his application, such false statement may in itself be sufficient grounds for refusal of a certificate.

C. Previous revocation of a real estate license held by an applicant shall also be grounds for refusal to grant a certificate.

D. The Commission may reject any application if, in the opinion of the Commission, the applicant fails to qualify in one or more of the following areas:

1. financial stability of applicant;
2. experience and capability of entity requesting approved vendor status; or
3. suitability of proposed course offerings for Louisiana licensees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6613. Renewal

A. Continuing education approval shall be granted on a calendar year basis, expiring on December 31 of each year. Vendors applying for renewal of their approved vendor status will be required to file a renewal application no later than October 31 of each year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6615. Eligibility of Courses

A. Courses accepted for credit toward the continuing education requirement and presented by approved continuing education vendors may include, but are not limited to, the following subject areas:

1. appraisal;
2. finance;
3. taxes;
4. zoning;
5. Louisiana Real Estate License Law/Commission rules and regulations;
6. environmental quality;
7. Federal Laws Affecting Real Estate (HUD).

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6617. Requirements for Submission of Additional Course Approval Requests by Approved Vendors

A. Approved continuing education vendors must apply directly to the Education Division and receive approval of any new courses to be offered by the entity at least 30 days prior to public offerings. Each additional course approval must be accompanied by the following items:

1. appropriate filing fee as specified in R.S. 1443 of the Louisiana Real Estate License Law;
2. complete information on proposed course offering including offering title, course description and outline;
3. list of names of proposed instructors; and
4. any additional information as specified by the Education Division.

B. Acceptance or rejection of new course approval requests will be determined by the Education Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6619. Continuing Education Coursework by Correspondence

A. Approved continuing education vendors must apply for and receive approval of correspondence study course(s) prior to any public offering. Licensees choosing to complete their continuing education through correspondence study will be required to comply with specific verification of hours procedures applicable only to correspondence study courses.

B. Audio/Video Material. Every audio/video correspondence course approved for a continuing education course shall:

1. provide audio or video taped explanatory material which the Commission approves totaling at least 50 percent of

the total hours for which the course is approved;

2. present the audio or video taped material in conjunction with programmed text and workbook materials for students;

3. require students to complete written exercises or tests on the material covered;

a. Any written assignment a student submits for grading shall include the following statement:

I certify that I have personally completed this assignment.

Date

Student's Signature

b. The vendor shall refuse to grade any written assignment on which the student does not sign this statement;

4. certify students as successfully completing the course only if the student completes all written assignments with at least 70 percent correct.

C. Written Material. Every written correspondence course approved for a continuing education course shall:

1. provide a text and workbook materials for students;
2. require students to complete Commission approved written exercises or tests on the material covered;

a. Any written assignment a student submits for grading shall include the following statement:

I certify that I have personally completed this assignment.

Date

Student's Signature

b. The vendor shall refuse to grade any written assignment on which the student does not sign this statement;

3. certify students as successfully completing the course only if the student completes all written assignments with at least 70 percent correct.

4. Vendors receiving approval to offer courses in real estate through correspondence study will be required to:

a. certify that each licensee receiving credit for correspondence study has taken and passed an examination on correspondence study material;

b. indicate on licensee's certificate of completion that hours were completed by correspondence study;

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6621. Continuing Education Instructor Requirements

A. With the exception of guest lecturers, only those persons meeting at least one of the following qualifications will be

permitted to instruct approved continuing education courses on a regular basis:

1. a state certified instructor in good standing with the Commission;
2. a college or university professor in real estate, finance, business, economics, or related field; or
3. a degree or designated specialist with at least five years' experience in the area of proposed instruction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989), amended LR 17:650 (July 1991).

§6623. Prohibition of Recruiting

A. No person shall use, at any time, the same premises or facilities where an approved continuing education course is being taught to recruit for new affiliates for any real estate company or individual. Violation of this requirement may be grounds for immediate loss of continuing education certification for the institute found to be in violation of the recruiting prohibition.

B. Approved vendors shall post the following statement in a conspicuous area of the classroom and require the instructor to read the statement to attendees at the beginning of the class:

1. No recruiting for agents for any real estate brokerage firm is allowed in this class or on the premises. Violators will be reported to the Louisiana Real Estate Commission.

C. Any brokerage firm that knowingly allows any of its agents or representatives to utilize a continuing education program to discuss salesman or broker sponsorship with the students shall be subject to the suspension or revocation of its license.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6625. Course Fees

A. Approved vendors shall enter into a written agreement with each student stating the cost of the seminar and the refund policy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6627. Course Completion Verification and Reporting Requirements

A. Each approved vendor shall provide to the Commission, on a monthly basis, attendance/course completion verifications on each student. Verifications shall include but may not be

limited to:

1. complete name of approved vendor and LREC vendor code;
2. name and address of attendee;
3. specific course title;
4. number of hours of completion;
5. date and location of course completion;
6. signature of verifier of the course completion;
7. correspondence study completion noted with the notation "C," if applicable.

B. For course and instructor monitoring purposes, the Commission shall require approved vendors to submit to its Education Division monthly schedules of course offerings and may require additional information as deemed necessary. Failure to provide the required reports in a timely manner may result in suspension or revocation of the certificate of any vendor found to be in violation of this requirement.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6629. Record Keeping

A. Approved vendors shall maintain, for three years, attendance records on each person attending an approved course offering.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6631. Commission Inspection or Monitoring of Approved Courses

A. Commission members or duly authorized Education Division representatives may audit any approved offering at any time during course presentation to determine adequacy of course presentation, content and compliance with continuing education regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6633. Prelicensing Schools Offering Continuing Education Courses

A. State certified real estate schools are permitted to offer continuing education courses in addition to prelicensing courses. Each state certified real estate school's initial and renewal fees for approved continuing education vendor status are included in the school certification fees specified in R.S.

1443. A separate approved continuing education vendor number will be assigned to the school upon compliance with continuing education regulations. Prelicensing schools holding approved continuing education vendor status will be required to remit, to the Commission, filing fees as provided in R.S. 1443 for each additional course approval request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6635. Advertisement

A. All advertisement by approved vendors must state the name of the vendor as registered with the Commission and the approved vendor number assigned by the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6637. Change of Address

A. Any change of address of the administrative offices of an approved vendor must be reported to the Education Division within 10 days of the effective date of such change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6639. Suspension or Revocation of Approved Vendor Certificate

A. The Commission shall have the authority on its own motion or following a complaint made to it, to investigate any approved continuing education vendor to determine compliance with Commission continuing education regulations.

B. The Commission shall have the authority to suspend or revoke any certificate of a vendor for violation of these regulations. In determining whether there has been a violation of these regulations, the Commission shall follow the provisions of R.S. 37:1456 and Chapter 13 of Title 49 of the Louisiana Revised Statutes insofar as they are applicable.

C. The Commission reserves the right to immediately withdraw approval of a specific course of instruction if the course fails to meet minimum standards for continued approval.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6641. Continuing Education from Non-approved Vendors

A. The Commission, through its Education Division, will consider for credit, on an individual basis, course work completed by licensees from vendors not registered with the Commission, provided the course content meets the provisions of R.S. 1437.C.5. Such review will be granted to courses offered by, but not limited to, the following:

1. Louisiana colleges and universities;
2. national appraisal organizations;
3. the societies, institutes and councils of the National Association of REALTORS®, including courses leading toward a designation;
4. federal, state and local governmental entities;
5. National Association of Real Estate Brokers, including courses leading toward a designation.

B. Any licensee seeking consideration of courses obtained through these sources must apply directly to the Education Division for credit toward the license renewal requirement. Each request must be accompanied by proof of attendance, hours completed, date of attendance and sufficient information on the subject matter to permit the Education Division to render an informed decision on the request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6643. Continuing Education Available to Licensees Through Commission Sponsored Seminars

A. In accordance with R.S. 1437.C.5 of the Louisiana Real Estate License Law the Commission will provide, each year, courses sufficient to satisfy the continuing education requirement at no cost to the licensee.

B. Funds for the Commission sponsored programs are derived from the Real Estate Research and Education Fund as provided in R.S. 1464.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6645. Seminar Instructor Qualifications

A. Instructors teaching Commission sponsored seminars must qualify in one of the following categories:

1. a state certified real estate instructor's certificate in good standing with the Commission;
2. a college or university professor in real estate, finance, business, economic or related field; or

3. a degreed or designated specialist with at least five years experience in the area of proposed course instruction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6647. Minimum Length of Courses

A. Courses of instruction will not be approved by the Commission if the total instruction time is less than two hours. Time devoted to breakfasts, luncheons, dinners or other refreshments shall not be counted as instruction time.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

Chapter 67. Timeshares

§6701. Requirements for Processing

A. Every applicant for an initial timeshare registration must meet the following requirements before his application will be processed by the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 12:510 (August 1986), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6703. Application

A. Every applicant for initial timeshare registration shall submit to the Commission a fully completed application on a form provided by the Commission accompanied by the prescribed fees.

B. Every applicant for initial registration as a timeshare interest salesperson shall designate on the application form provided by the Commission the name of the developer or developers for whom he will be working following registration.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 12:510 (August 1986), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6705. Receipt of Application

A. Every application must be received and approved prior to the date the applicant engages in the business of selling timeshare interests within this state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Real Estate Commission, LR 12:510 (August 1986), amended by the Department of Economic Development, Real Estate Commission, LR 15:1057 (December 1989).

§6707. Certificate of Registration

A. Every developer for an initial timeshare sales registration shall submit the following to the Commission unless exempted under the authority of R.S. 37:1437.1.F:

1. a current credit report from a recognized credit reporting agency;

2. if the applicant is a corporation, a copy of its articles of incorporation, current annual report and a credit report on each of the principals of the corporation;

3. if the applicant is a partnership, a copy of partnership agreement and current partnership registration form;

4. one bond issued in favor of the state by a surety company authorized to do business in this state in the amount of \$1,000 per unit week included in the timeshare plan in accordance with R.S. 9:1131.4.D;

5. a properly executed and notarized escrow affidavit;

6. sample copies of the conveyance and financing forms and, when applicable, copies of the public offering statement and a certified copy of the timeshare declaration;

7. When applicable, an affidavit, signed by the chief executive officer or managing partner of the developer and by any natural person having an ownership interest exceeding 10 percent in either the developer or entities which control it, that states under penalty of perjury that the affiant has read the timeshare declaration and all attached documents, and that they are true and correct.

B. Applicants for an initial non-developer timeshare registration shall submit the following to the Commission:

1. satisfactory proof that the applicant has attained the age of 18 years;

2. satisfactory proof that the applicant is a high school graduate or the holder of a certificate of high school equivalency;

a. satisfactory proof that the applicant is a high school graduate or the holder of a certificate of high school equivalency may be established by the original or a copy of the applicant's high school diploma, the applicant's university or college diploma, the applicant's certificate of high school equivalency, or, if none of the above is available, by an affidavit stating the date and place of the applicant's high school graduation or the granting of the applicant's certificate of high school equivalency;

3. one bond issued in favor of the state by a surety company authorized to do business in this state in the amount of \$10,000 in accordance with R.S. 37:1437.1.E.